

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

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QUARTERLY STOCK SURVEY

Commerce Bureau Reports on Cannery and Distributors' Stocks of Important Items

The canned food stock situation on July 1, 1938, was characterized by larger stocks of four selected canned vegetables in packers' hands as compared with July 1 of last year, according to the quarterly survey conducted by the Bureau of Foreign and Domestic Commerce. Total stocks of peas, corn, tomatoes and green and wax beans on July 1 this year amounted to 12,688,000 cases, compared with 4,377,000 cases last July 1.

Although stocks of these items at the end of the second quarter were still higher than last year, a much heavier movement into wholesale channels occurred during the second quarter of 1938 than in 1937. In the second quarter of 1938, 9,955,000 cases were moved out of packers' hands, while canners' holdings during the second quarter of 1937 were reduced by 5,763,000 cases.

Packers' holdings of canned peaches and pears on July 1 remained substantially above the previous year. Their holdings of canned pears were reduced by over one-third in the second quarter of 1938.

Distributors' holdings of canned peaches and pears on July 1 were both under the previous year. Reports from a representative group of firms indicated that stocks of peaches were 11 per cent below July 1, 1937, while pear holdings were 23 per cent smaller.

Distributors' holdings on July 1 of the four canned vegetables covered in the report were generally down from April 1, but higher than July 1 of last year.

Canned tomato stocks, down 9 per cent from last year, were the only item to show a decrease on this comparison.

Canners' stocks, sold and unsold, of peas, corn, tomatoes and green and wax beans are shown in the following table compiled by the National Canners Association; the figures on tomatoes exclude California, for which data are not available; the number of firms reporting is shown after the name of the product.

Commodity	July 1, 1938 Cases	April 1, 1938 Cases	July 1, 1937 Cases	April 1, 1937 Cases
Peas (364).....	3,930,216	7,077,430	1,720,540	3,731,457
Corn (362).....	5,638,989	9,155,560	999,606	2,628,701
Tomatoes (1,300).....	2,351,010	4,824,583	1,582,046	3,361,118
Green and wax beans (575)....	767,543	1,585,542	74,791	419,115

Stocks of peas, corn, tomatoes, and green and wax beans in the hands of representative distributors, estimated to cover about 70 per cent by volume of the wholesale distributing trade, are shown in the following table; the figures are based on reports to the Bureau of Foreign and Domestic Commerce from the same firms for each date.

Commodity	July 1, 1938 Cases	April 1, 1938 Cases	July 1, 1937 Cases
Peas.....	1,158,912	1,155,347	1,045,585
Corn.....	1,287,019	1,423,171	830,151
Tomatoes.....	853,368	1,082,484	939,763
Green and wax beans.....	491,774	544,600	298,519

In the table below are shown the stocks of canned peaches and pears in the hands of representative canners and distributors. These figures are based on reports from nearly every large canner of these fruits, and from distributors estimated to cover about 70 per cent by volume of the wholesale distributing trade.

Commodity	July 1, 1938 Cases	April 1, 1938 Cases	July 1, 1937 Cases
Canners			
Peaches.....	4,007,906	4,687,374	912,203
Pears.....	929,439	1,503,000	566,418
Distributors			
Peaches.....	500,820	708,405	565,511
Pears.....	239,880	291,886	310,494

Pea Canners Discuss Merchandising of Pack

A group of pea canners, representing the principal pea canning districts, met in Chicago, July 30 and 31, to discuss the problem of merchandising the 1938 pack of peas. A number of questions were discussed in detail by the group.

The first subject considered was that of obtaining a complete census of the pack in detailed form. It was the opinion that the problem of selling the pack could not be solved satisfactorily unless the statistics of the pack by varieties, grades, sieve sizes, and can sizes were assembled and made available to the trade. It was felt that this information should be assembled immediately and made available.

The Division of Statistics has sent out request blanks to all pea canners urging them to send in their reports promptly.

FSCC Preparing Grapefruit Juice Program

In preparation for a program to purchase canned grapefruit juice, the Federal Surplus Commodity Corporation is asking all canners of grapefruit juice to submit statistics on the volume of sales during July, together with prices received. They are also asking for statistics on the 1937-38 pack and stocks as of August 1.

This information is being requested from all grapefruit juice canners. Any canner who sells to the government will be required to furnish this information. It is hoped by the FSCC, however, that all canners will report, since a more intelligent program can be developed if complete statistical data are available.

TREND OF WHOLESALE TRADE

Wholesalers' Purchases Declined Faster than Retail Sales During First Half of Year

Special survey of wholesale trade during the first half of 1938 reveals that sales declined 15 per cent from the first six months of 1937, according to an analysis made by the Marketing Research Division of the Bureau of Foreign and Domestic Commerce, which is based on reports from a group of 1,700 wholesalers located in all regions of the United States.

With wholesale trade down 15 per cent for the first six months of this year, and retail trade down exactly the same amount, manufacturers' sales declined 24½ per cent over the same period. This would seem to indicate that wholesalers' purchases have been more sharply curtailed than retailers', resulting in a more rapid liquidation of wholesale stocks accumulated at the end of 1937.

At the beginning of 1938, inventories rose slightly, increasing about 2 per cent during the month of January. Since the beginning of February, however, the monthly changes have consisted of an unbroken series of declines. The net decline over the five months' period from the beginning of February to July 1 aggregated 12 per cent on the basis of the cost value of the stocks held.

During this period, wholesale prices fell approximately 3 per cent, indicating that the physical volume of stocks declined about 10 per cent in the five months.

Percentages of change in cost value of grocery and food wholesalers' inventories (except farm products) in 1938 from corresponding month of 1937 were: January, +6.3; February, -3.0; March, -1.8; April, -6.4; May, -6.1; June, -8.7; and July, -9.6.

Federal Hatcheries Report Year's Production

Preliminary figures covering production and distribution of fish and eggs from Federal hatcheries during the year ending June 30, 1938, have been tabulated by the Bureau of Fisheries. The grand total of 7,822,000,000 is slightly less than the figure for the fiscal year 1937 when 7,919,000,000 were distributed, it was announced, but the total of 7,822,000,000 has been exceeded only twice since the Federal government undertook the propagation of fish.

FSCC Authorized to Buy Dry Skim Milk

The Federal Surplus Commodities Corporation has been authorized to buy up to 30,000,000 pounds of dry skim milk during the current fiscal year, the Agricultural Adjustment Administration announced August 2. Purchases of dry skim milk may be made by the Corporation at any time during the year, in order to assist producers at times when burdensome surpluses are depressing the industry.

Dry skim milk purchases by the Corporation during the past fiscal year amounted to a total of about 21,520,000 pounds bought at a cost of \$1,322,000 from manufacturers in most sections of the United States. Manufacture of this quantity of dry skim milk required the use of more than 236 million pounds of fluid skim milk.

Fisheries Bureau to Screen Federal Ditches

Grant of \$187,600 in PWA funds to the United States Bureau of Fisheries for the construction of fish ladders and screens at Federal power and irrigation projects in the Pacific Northwest was announced July 30 by the Bureau of Fisheries. The money will be spent in the States of Washington, Oregon, and Idaho, where hundreds of dams and irrigation canals without proper fish protective devices have seriously reduced the Columbia River's valuable salmon runs. According to present plans, construction work will be under way by August 15.

Young salmon, which migrate downstream to feeding grounds in the sea when they are about a year old, instinctively follow the currents flowing into irrigation diversions from the river tributaries and are stranded in fields and orchards or die when the water in the ditches is drained out. Although no complete figures are available, it is conservatively estimated that hundreds of thousands of salmon are lost in this way every year, according to the Fisheries Bureau.

Bureau to Survey Domestic Crab Industry

A technological study and survey of the domestic crab meat industry has been started with funds appropriated by the last Congress, according to the U. S. Bureau of Fisheries. The study is for the purpose of recommending to the industry improvements in methods of production, sanitation, and better tests for determining quality in the marketing of this product.

One experienced chemist and one experienced bacteriologist have been assigned to this investigation and it is expected that some recommendations will be made to the industry by the end of the year which will be helpful in solving the technical and economic problems of the industry.

British Canned Fruit Imports Increase

Arrivals of canned fruit at the principal British ports during the five weeks ending July 2, 1938, totaled 1,098,318 cases, compared with 1,120,939 cases during the preceding five weeks, and with 942,719 cases during the five weeks ending July 3, 1937, according to a report of the Imperial Economic Committee. While there was an appreciable increase in receipts of canned peaches and canned oranges, the arrivals of pears, pineapple, and grapefruit were greatly reduced.

Canada Supplies Most British Tomato Juice

Arrivals of canned tomato juice at the principal British ports during the five weeks ending July 2, 1938, amounted to 7,604 cases, compared with 5,343 cases during the five weeks ending July 3, 1937, according to the Imperial Economic Committee's report. Canada supplied 5,421 cases and the United States 2,183 cases.

Imports of tomato juice into the United Kingdom during the first six months of 1938 totaled 22,611 cases, of which Canada supplied 12,163 and the United States 8,533 cases.

CANNED FISHERY PRODUCTS IN 1937**Output in United States and Alaska Had a Value of \$104,637,631**

The output of canned fishery products and byproducts of the United States and Alaska in 1937 had a value of \$141,710,374, according to a statistical bulletin just issued by the U. S. Bureau of Fisheries.

The following table shows the output of canned products in standard cases, along with the value and the number of plants engaged in processing the various items. The table that follows this shows the value of canned products and byproducts by States.

Product	Number of plants	Standard cases	Value
Salmon:			
United States.....	28	885,372	\$8,386,165
Alaska.....	113	6,669,665	44,547,769
Sardines:			
Maine.....	25	1,680,241	4,998,373
California.....	34	2,812,456	8,592,117
Tuna and tunalike fishes..	19	3,144,501	18,995,779
Mackerel.....	28	840,832	2,673,608
Alewives.....	11	29,418	83,245
Alewife roe.....	32	51,272	304,922
Shad.....	9	9,219	30,554
Shad roe.....	8	1,891	49,868
Cat and dog food.....	9	377,041	840,307
Fish flakes.....	4	39,880	352,941
Fish cakes, balls, etc.....	8	109,285	753,426
Fish paste.....	4	3,696	137,624
Sturgeon caviar.....	4	3,053	435,370
Whitefish roe and caviar..	5	1,332	49,395
Salmon roe and caviar (for food).....	4	1,534	36,001
Salmon eggs (for bait)....	10	5,349	85,398
Misc. fish and roe.....	15	11,194	101,586
Clam products.....	53	773,248	3,012,766
Oysters.....	49	690,063	2,839,760
Oyster soup.....	3	32,961	182,518
Shrimp.....	60	1,268,308	7,044,858
Crabs.....	18	13,697	269,699
Terrapin products.....	4	136	8,715
Turtle products.....	3	5,824	73,737
Misc. shellfish.....	9	6,581	51,130
Total.....	402	19,468,049	104,937,631

State	Canned products	By-products	Total
Maine.....	\$6,021,661	\$460,700	\$6,482,361
Massachusetts.....	1,133,713	2,094,293	3,249,660
Rhode Island.....		21,654	
Connecticut.....		1,187,862	1,187,862
New York.....	702,709	6,079,398	6,782,107
New Jersey.....		1,960,051	3,587,934
Pennsylvania.....	1,411,385	216,498	
Delaware.....		549,810	549,810
Maryland.....	565,108	1,216,002	1,781,110
Virginia.....	188,760	1,524,306	1,713,066
North Carolina.....	116,116	769,798	1,314,476
South Carolina.....	428,562		
Georgia.....	766,701		
Florida.....	512,724	955,564	2,234,989
Alabama.....	375,167		
Mississippi.....	2,811,128	81,721	3,268,016
Louisiana.....	4,290,936	370,760	4,661,696
Texas, Ill., Mo., Wis. and Minn.....	389,080	215,248	604,328
Iowa.....		3,719,580	3,719,580
Washington.....	5,276,928	1,646,841	6,923,769
Oregon.....	4,163,681	456,653	4,620,334
California.....	30,741,773	9,973,769	40,715,542
Alaska.....	45,041,499	3,272,235	48,313,734
Total.....	104,937,631	36,772,743	141,710,374

Potato Producers to Vote on Marketing Order

Several thousand commercial potato growers of 15 late producing States are expected to vote in a referendum August 19 to 24, to determine whether they favor issuance of an order which would require potato handlers to comply with a proposed marketing agreement program, the Agricultural Adjustment Administration announced July 30.

States in which the referendum will be held are: Maine, New York, New Jersey, Michigan, Wisconsin, Minnesota, North Dakota, Nebraska, Colorado, Idaho, Wyoming, Utah, Oregon, Washington and California. The program would apply in several or all counties of these States. The referendum will be held only in counties in which the program would apply.

Fruit and Vegetable Market Competition

Carlot Shipments as Reported by the Bureau of Agricultural Economics, Department of Agriculture

VEGETABLES	Week ending—			Season total to—	
	July 30 1937	July 30 1938	July 23 1938	July 30 1937	July 30 1938
Beans, snap and lima	33	9	12	8,013	8,080
Tomatoes.....	247	108	200	17,417	26,349
Green peas.....	271	160	95	5,109	4,155
Spinach.....	3	8	11	8,132	6,504
Others, domestic....	487	502	719	68,813	70,608
FRUITS					
Citrus, domestic....	1,379	2,295	2,754	127,754	148,785
Imports.....	2	8	12	326	249
Others, domestic....	4,241	2,326	2,452	12,981	19,892

Quick-Frozen Foods Introduced in London

Luncheon was served at Grosvenor House in London on July 8, 1938, by Frosted Foods, Ltd.—primarily for the press—to introduce to the United Kingdom quick-frozen foods from the United States, according to a report from the office of the American commercial attache at London. Quick-frozen foods on the menu ranged from Minnesota turkey to Texas broccoli. Other quick-frozen items on the menu were red perch, sweet corn, green peas, lima beans, and potatoes.

A film describing the quick-freezing process was shown after the luncheon, and there was an exhibit of quick-frozen foods including plums, apricots, blueberries, sliced peaches, raspberries, strawberries, youngberries, rhubarb, asparagus tips, cauliflower, and spinach, as well as a wide selection of poultry, joints, steaks and chops, fish and shellfish.

Maine Tries Inspection on Green Beans

Experimental inspection service on green beans for canneries is being undertaken by the State of Maine in cooperation with the Bureau of Agricultural Economics, according to the July 27 issue of "Marketing Activities" published by the Bureau. This service is somewhat similar to the inspection on corn provided for canneries, which has been carried on by the State in cooperation with the Federal Bureau for the past three years.

The purpose of these services is to give canneries a quality basis for paying growers for their products. Inspectors determine percentages of U. S. No. 1 and No. 2 grades in each load delivered by the grower.

Malcolm Smith of the Bureau of Agricultural Economics is in charge of this work.

Belgians Buying U. S. Canned Cherries

Due to the practically complete failure of the 1938 cherry crop in Belgium, which resulted from the excessive cold spring weather which prevailed in that country, it is anticipated that substantial supplies of canned fruit will be imported from the United States, according to the American commercial attache at Brussels.

One firm in Belgium, identified with extensive use of cherries in foodstuffs production, has indicated that it has placed orders for some 25 tons of American canned cherries; while another concern has contracted for 50 tons for distribution, the report stated. Observers in Belgium estimate that probably up to 150 tons of canned fruit will be brought into that country this season from the United States.

Girl Scouts Find N. C. A. Publications Helpful

Canners will be interested in a letter which was received recently from a Parent Teacher group thanking the Home Economics Division for material sent for Girl Scout use. To quote from the letter:

"The members of Girl Scout No. 131 and the Troop Committee wish to thank you and your Association for all the material you so kindly sent us recently for our homemaking and cooking tests. We have made scrap books for each girl and the material has been carefully filed for future reference. I thought you might like to know that you were most helpful in helping the girls to plan their menus for a three-day overnight hike they took this past week-end. We did all of our cooking over an outdoor fireplace and a great deal was canned food, and thanks to you we knew just how much we needed by the sizes and amounts mentioned in many of your pamphlets.

"The 'Story of the Tin Can' and the 'Story of the Canning Industry' were most interesting. We have placed a copy in the school library, and one in the Girl Scout library and each girl who passed her tests has one in her memory book.

"Thank you loads for your fine co-operation. The girls enjoyed the '227 Tested Recipes' and most of the mothers have called me to tell me how much they enjoyed 'Community Meals', so you have pleased both the girls and the mothers."

Clifford L. Wright Dies Suddenly

Clifford L. Wright of the Pleasant Grove Canning Company, Pleasant Grove, Utah, formerly a member of the Board of Directors of the National Canners Association, died suddenly on July 25. He is succeeded in the management of the company by Mr. H. W. Jacobs.

Temperature and Rainfall Records

The following table gives the average temperature and total rainfall for the principal pea-growing districts for each

of the past two weeks, as shown by the U. S. Weather Bureau reports for selected stations in these districts:

District	Week ended July 26, 1938		Week ended Aug. 2, 1938	
	Temp.	Rain	Temp.	Rain
Maine.....	69	1.9	72	1.7
Western New York.....	77	.3	76	.2
Tri-States.....	77	2.2	80	.8
South Central Ohio.....	78	.0	72	3.9
Central Indiana.....	78	.0	78	1.4
Northern Illinois.....	75	.0	77	2.1
Northern Illinois, Southern Wisconsin.....	72	.1	73	.6
Southern Minnesota.....	70	.3	73	.5
Northern Colorado.....	70	.1	76	.2
Northern Utah.....	82	.0	81	.0
Northwestern Washington....	72	.0	64	.0
Southeastern Washington....	84	.0	78	.0

MAY HOLD CORN REFERENDUM

AAA Officials Make Tentative Plans for Vote on Corn Quotas September 3

Plans and tentative arrangements for a referendum in the corn belt about September 3 on a proposal to invoke marketing quotas on corn are being made by Agricultural Adjustment Administration officials.

If private forecasts of a corn crop in excess of 2,500,000,000 bushels are verified by the Federal Crop Reporting Board's forecast to be released next Wednesday, this amount, added to the surplus from last year's crop which has been estimated at between 350,000,000 and 400,000,000 bushels, might be large enough to make a referendum necessary, an official of the Administration stated Friday.

The new farm act directs that a referendum be held when the indicated supply is 17.7 per cent or more above normal domestic and export needs. In this event growers will vote to determine whether they want to use quotas to keep surplus corn off the market.

Final decision on whether the Crop Reporting Board's forecast necessitates holding a referendum must be made by August 15.

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